VZCZCXYZ0000 PP RUEHWEB

DE RUEHTU #1181/01 3300804
ZNR UUUUU ZZH
P 250804Z NOV 08
FM AMEMBASSY TUNIS
TO RUEHC/SECSTATE WASHDC PRIORITY 5769
INFO RUEHAS/AMEMBASSY ALGIERS PRIORITY 7708

UNCLAS TUNIS 001181

SENSITIVE SIPDIS

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E.O. 12958: N/A

TAGS: OREP PGOV PREL ECON PTER TS

SUBJECT: SCENESETTER FOR CODEL HASTINGS

Summary

11. (SBU) Embassy Tunis warmly welcomes Congressman Hastings and accompanying delegation to Tunis December 2 - 3, 2008. In a difficult region, Tunisia is stable and moderate, with a record of economic and social progress. The Tunisian government delivers education, health care, housing, infrastructure and security to its population. Tunisia has a diversified economy and enjoys one of the highest standards of living on the continent. It is a model for the region on women's rights. Politically, however, the country is dominated by a single party, the Democratic Constitutional Rally (RCD). Political freedoms are tightly controlled and human rights are a concern. Terrorism poses a threat to the country. Tunisian government officials may wish to discuss the latest political, economic and security issues in the US-Tunisian bilateral relationship, as well as regional questions. In this cable, Embassy Tunis provides background information for your visit. End Summary.

The Bilateral Relationship

12. (SBU) Your visit takes place in the context of long-standing and generally positive bilateral relations. The United States was the first Western power to recognize an independent Tunisia in 1956 and we have provided over US \$6 billion in assistance over the years. Tunisia has had several high-level US visits recently: Secretary Rice visited September 6; Congressional visits include CODELS McCullom, Boehner and Cramer in 2008; and CODELS Tanner, Costello, Jackson-Lee, and Inouye in 2007. AUSTR Shaun Donnelly, the State Department,s Coordinator for Counterterrorism Dell Dailey, NEA Assistant Secretary C. David Welch, and AFRICOM Commander General William Ward also visited Tunisia in 2008.

Socio-Economic Context

- ¶3. (SBU) Tunisia proudly -- and justifiably -- calls itself a "country that works." Despite Tunisia's relatively small economy and lack of natural resources, the Tunisian government provides education, health care, housing, infrastructure and security to its population. Tunisian women enjoy more rights and opportunities than in any other Arab country. The GOT has also put a strong emphasis on the importance of education, and the literacy rate is comparatively high at 74 percent.
- 14. (U) Tunisia has the most diversified economy in the region and enjoys one of the highest standards of living on the continent. The country does not have large reserves of

hydrocarbons like its neighbors Algeria and Libya, but has prospered under long-standing government policies to diversify its economy by developing manufacturing industries for export and promoting tourism. The Government of Tunisia also seeks to attract foreign direct investment and strengthen its agricultural sector. Thanks to these policies, Tunisia's economy has maintained average annual GDP growth rates of five percent over the past decade. At the same time, social programs have limited population growth. GDP per capita in 2007 was approximately US \$3,251 (GDP per capita using purchasing power parity was US \$7,427). The United States and Tunisia signed a Trade and Investment Framework Agreement (TIFA) in 2002 to strengthen bilateral economic engagement. The third TIFA Council meeting took place in Tunis on March 10-11, 2008.

Political Overview

- 15. (SBU) Tunisia is a constitutional republic with a population of just over 10 million. Politics are dominated by a single political party, the Democratic Constitutional Rally (RCD). Zine El Abidine Ben Ali has been President since 1987, when he replaced President Bourguiba. Although the GOT has many of the institutions of democracy, it is not a democracy. Three opposition parties fielded candidates in the October 2004 presidential election; official results indicated that President Ben Ali won approximately 94 percent of the registered popular vote. The official turnout was reportedly higher than 90 percent of registered voters, although there were indications that voter turnout figures were inflated. In August 2008, Ben Ali declared his candidacy for a fifth term in office. National elections both presidential and legislative will be held in 2009.
- 16. (SBU) Tunisia has a bicameral legislature. In addition to the Chamber of Deputies, a second legislative body, the Chamber of Advisors, was created in a 2002 referendum amending the Constitution. The legislature plays a limited role as an arena for debate on national policy but members do not introduce bills and legislation presented by the Executive Branch passes with only minor changes.
- (SBU) Political liberties remain tightly controlled and <u>¶</u>7. civil society development is restricted. Government officials say they intend to continue political liberalization, but at a pace appropriate to Tunisia's level of development. They underscore their belief that Islamists pose a serious threat to the country's record of secular and moderate policies. Tunisia's slow progress on political reform has been a concern for the US Government in recent years. Although President Ben Ali has introduced some reforms in the past two years (pardoning some political prisoners and lifting a form of censorship for print media), civil society and human rights groups continue to report many instances of government harassment, intimidation, and limits on their activities. Journalists reject the suggestion that press censorship has ended, and local media usually lacks meaningful coverage of domestic political issues. In the 2007 Reporters Without Borders Worldwide Press Freedom Index, Tunisia was ranked 145 out of 169 countries.

Security Situation

18. (SBU) There is a threat of terrorism in Tunisia, particularly in light of the establishment of al-Qaeda in the Islamic Maghreb (AQIM). AQIM abducted two Austrian tourists in Tunisia on February 22 and released them in October. In January 2007, Tunisian security forces disrupted a terrorist group active in December 2006/January 2007, killing or capturing many individuals who reportedly planned to carry out acts of violence in Tunisia. The US Embassy and personnel in Tunis were reportedly among the group's intended targets. In 2002, a faction of al-Qaeda claimed responsibility for an attack on the Ghriba synagogue on the

southern island of Djerba. This attack, in which 20 victims were killed, was the first al-Qaeda related terrorist attack after September 11, 2001.

- 19. (SBU) The Government of Tunisia remains concerned about signs of increasing Islamic extremism and national security is a major priority. It places a high value on its historic and robust military-military relationship with the United States. In FY 2008, our military assistance was the highest it has been in recent years, at approximately US \$25 million. Our aid included US \$8,345,000 in Foreign Military Financing (FMF), US \$9.98 million in Section 1206 funding for counter-terrorism equipment, US \$4.1 million in assistance under peacekeeping operations authority, and US \$1.7 million for International Military Education. The Tunisian military is particularly concerned about its FMF levels, in part because this is the most flexible form on assistance. It uses the FMF largely to maintain its aging fleets of US-origin equipment.
- 110. (SBU) Helpfully, Tunisia is an active participant in United Nations peacekeeping missions, including in the Democratic Republic of the Congo (DROC), Ethiopia and Eritrea. The GOT takes part in NATO seminars and activities, and we have several joint military exercises annually. The GOT reciprocated the US Government's past generosity with a symbolic gesture of two C-130 loads -- some 20 tons -- of humanitarian assistance in the wake of Hurricane Katrina.

Regional Issues

111. (SBU) Tunisia has been supportive of US efforts on Israeli-Palestinian peace, is like-minded on Iran, and has an Embassy in Baghdad. But it rarely leads and usually follows the Arab League consensus on international and regional issues. Given its moderate track record, we encourage the Government of Tunisia to do more to promote regional peace and security. Godec